

**ORDER OF BUSINESS**  
**BOARD OF ADMINISTRATION**  
**INVESTMENT COMMITTEE**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**MARCH 16, 1998**

PLACE: Lincoln Plaza Building  
400 P Street, Auditorium  
Sacramento, California

TIME:      **CLOSED SESSION    (8:30 a.m.)**      **Chief Investment Officer's  
Briefing on Market & Personnel  
Issues**

**CLOSED SESSION    (9:30 a.m.)**

**OPEN SESSION        (10:30 a.m.)**      **or upon adjournment of Closed  
Session, whichever is later**

ROLL  
CALL:      Committee Members

Charles Valdes, Chair  
William Crist, Vice Chair  
Ronald Alvarado  
Robert Carlson  
Thomas Clark  
Kathleen Connell  
Michael Flaherman  
Matt Fong  
Mike Quevedo, Jr.  
William Rosenberg  
Kurato Shimada  
Joseph Thomas  
David Tirapelle

## **BOARD OF ADMINISTRATION**

### **INVESTMENT COMMITTEE**

**MARCH 16, 1998**

**CLOSED  
SESSION  
(8:30 a.m.)**

**CHIEF INVESTMENT OFFICER'S BRIEFING ON  
MARKET AND PERSONNEL ISSUES**

(Gov. Code sec. 11126(a)(1) and (c)(16).)

**CLOSED  
SESSION  
(9:30 a.m.)**

(Gov. Code sec. 11126(c)(16).)

- |             |    |   |
|-------------|----|---|
|             | 1. | CALL TO ORDER AND ROLL CALL   |
| ACTION      | 2. | Approval of the February 17, 1998 Closed Session Minutes  |
| ACTION      | 3. | TCW/Cursor-Eaton  |
| ACTION/INFO | 4. | Real Estate<br>a. Catellus Update   |
| ACTION      | 5. | Alternative Investment Management (AIM) Program - Partnership Component   |
| ACTION      | 6. | Alternative Investment Management (AIM) Program - Direct Component  |
| ACTION/INFO | 7. | Quarterly Probation/Watchlist Activity Report   |
| INFORMATION | 8. | Chief Investment Officer's/Assistant Executive Officer's Report<br>a. Projected Cash Flow   |
| CONSENT     | 9. | Activity Reports<br>a. Real Estate Equity Transaction Report<br>b. Alternative Investment Management (AIM) Program - Partnership Component<br>c. Alternative Investment Management (AIM) Program - Direct Component |

**OPEN SESSION      10:30 a.m. (or upon adjournment of Closed Session, whichever is later)**

- |             |     |   |
|-------------|-----|---|
|             | 10. | CALL TO ORDER & ROLL CALL   |
| ACTION      | 11. | Approval of the February 17, 1998 Open Session Minutes  |
| ACTION      | 12. | Election of Chair and Vice Chair  |
| ACTION/INFO | 13. | Real Estate <ul style="list-style-type: none"><li>a. Office Request for Proposal (RFP) Update</li><li>b. International Real Estate Proposal - Security Capital Global</li></ul>   |
| ACTION      | 14. | Alternative Investment Management (AIM) Program - Partnership Component <ul style="list-style-type: none"><li>a. Lexington Capital Partners II, L.P.</li><li>b. Apollo Investment Fund IV, L.P.</li><li>c. Venture Capital Vehicle Concept Analysis</li></ul> |
| ACTION      | 15. | Alternative Investment Management (AIM) Program - Direct Component  |
| ACTION      | 16. | Pension Consultant Contracts <ul style="list-style-type: none"><li>a. Evaluation Surveys of Wilshire Associates and Pension Consulting Alliance, Inc. (PCA)</li><li>b. Contract Amendments</li></ul>  |
| ACTION      | 17. | Corporate Governance <ul style="list-style-type: none"><li>a. U.S. Corporate Governance – Core Principles and Guidelines (First Reading)</li><li>b. Japan and Germany Principles (Second Reading)</li></ul>   |
| ACTION      | 18. | Serving on Corporate Boards (Third Reading)   |
| ACTION      | 19. | Proxy Voting Guidelines   |
| ACTION      | 20. | Legislation   |
| INFORMATION | 21. | Policy Subcommittee Report  |
| INFORMATION | 22. | Chief Investment Officer/Assistant Executive Officer's Report <ul style="list-style-type: none"><li>a. Asset Allocation</li><li>b. Cash Flow</li><li>c. Status Report</li><li>d. Report on Closed Session Items</li></ul>                                     |

- CONSENT            23.    Quarterly Performance Reports
- a. CalPERS Quarterly Performance Report
  - b. Legislator's Retirement System (LRS) Quarterly Performance Report
  - c. Deferred Compensation Program Quarterly Report of Investment Performance
  - d. Policy Guidelines - Quarterly Report, Internally Managed Equity Index Fund
- CONSENT            24.    Activity Reports
- a. Alternative Investment Management (AIM) Program - Partnership Component
  - b. Alternative Investment Management (AIM) Program - Direct Component
- CONSENT            25.    Investment Transactions
- A. Public Employees' Retirement Fund
    - 1. Portfolio Summary and Transactions
    - 2. Alternative Investment Management (AIM) Program Transactions
    - 3. Internally Managed Fixed Income Transactions
    - 4. Real Estate Equity Transactions
    - 5. Summary of Special Investment Transactions
    - 6. Equity Transactions
      - (a) External Management
      - (b) Internal Management
    - 7. International Transactions
    - 8. Convertible Security Transactions
    - 9. Corporate Actions
  - B. Legislators' Retirement Fund
  - C. Judges' Retirement Fund
  - D. Public Employees' Medical & Hospital Care Act Contingency Reserve Fund
  - E. Volunteer Firefighters Length of Service Award Fund
- INFORMATION       26.    Draft Agenda for April 13, 1998

**-----PUBLIC COMMENT-----**

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.